REMARKS

The present response is intended to be fully responsive to all points of rejection raised by the Examiner and is believed to place the application in condition for allowance. Favorable reconsideration and allowance of the application is respectfully requested.

Claims 6, 10, 16, 20, 26, 30-54 are pending in this case. Claims 6, 10, 16, 20, 26, 30-48, 51-54 have been allowed. Claims 49-50 are objected to.

Response to Formal Matters

The Examiner rejected claims 49-50 because of the recitation of "said three dimensional data block" lacks proper antecedent basis. Claims 49-50 have been amended to recite "said three dimensional subband coefficient data block". Applicant believes that claims 49-50 overcome the Examiner's objection. The Examiner is respectfully requested to withdraw the claim objections.

In accordance with the suggestion of the Examiner, the paragraph at page 6, line 30 of the specification has been amended accordingly to read "Figure 19 is".

Conclusion

In view of the above amendments and remarks, it is respectfully submitted that dependent claims 49-50 are now in condition for allowance. Prompt notice of allowance is respectfully solicited.

In light of the Amendments set forth above, Applicant earnestly believes that they are entitled to a letters patent, and respectively solicit the Examiner to expedite prosecution of this patent applications to issuance. Should the Examiner have any questions, the Examiner is encouraged to telephone the undersigned.

Customer Number: 25937 Respectfully submitted,

ZARETSKY PATENT GROUP PC

Dated: December 17, 2007

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